

Mr. BARR. Mr. Speaker, today we heard communications from the White House, which were communicated and reverberated around the world, that the President of the United States has made an end run around the Congress, and I think this raises some very troubling problems about the Mexican bailout process.

Just 1 short week ago, Mr. Speaker, we had the top administration officials appear before the Committee on Banking and Financial Services, on which I have the honor of serving, to tell this Congress that the only way, the only way that we could avoid a crisis in the international monetary market and avoid a collapse of the Mexican economy, is if this Congress acceded to the wishes of the administration and provided legislation that would in effect bail out the Mexican peso.

Less than 1 week later, Mr. Speaker, we find out that the administration has another plan, and I call on the administration to come clean with this Congress, to let us know exactly what is going on and to answer some very serious questions about the authority under which this action is taking place, why it was not foreseen and why this administration, through the testimony of the administration officials in the Committee on Banking and Financial Services, appeared to mislead this U.S. Congress and the American people.

BIPARTISANSHIP PREVAILS

(Mr. KINGSTON asked and was given permission to address the House for 1 minute.)

Mr. KINGSTON. Mr. Speaker, last week, when we passed the balanced budget amendment, we took a good step not only toward fulfilling campaign promises, but also for working with each other as Democrats and Republicans because there are about 70 to 80 Democrats who voted on the balanced budget amendment and joined the Republican majority. I think that is a great bipartisan effort. The same thing has happened as we debate the unfunded mandates bill. Many Democrats are not going along with this obstructionism. They are coming over to the majority side and putting the business of the American people first.

During the month of February, Mr. Speaker, we are going to be debating the line-item veto, and the crime bill and regulatory reform. All these are very, very important to our constituents, Democrats, Republicans, big cities, small cities, rural, urban, and I hope that this bipartisan spirit prevails so that we can take care of the business that America demands and do what is best for our great country.

PRESIDENT SHOWS HIGH DEGREE OF LEADERSHIP BY HELPING MEXICO STABILIZE ITS ECONOMY THROUGH GUARANTEED LOANS

(Mr. TORRES asked and was given permission to address the House for 1 minute.)

Mr. TORRES. Mr. Speaker, I think that today's action by the President of the United States in taking his prerogative as a Chief Executive to order an Executive order guaranteeing the \$47.5 billion guarantees to Mexico was a prudent move. I believe it sends out a strong signal to the international markets, to the international community, that he is showing a high degree of leadership. Since we in Congress were not able to meet his request, I believe that the President is taking his prerogatives as the Chief Executive to order those guaranteed loans which will go a long way in seeing to it that the Mexican peso is stabilized, that the economy of Mexico can be stabilized, for not to do so would have a serious negative impact on American workers and on our relationships with that country, not to speak of the problems that it would cause as a domino effect in Brazil, and Argentina and other developing nations.

So, Mr. Speaker, I believe that today's move by President Clinton was an important one and indicates once again that he is willing to make tough decisions in a crisis time like this.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. BREWSTER). Under the Speaker's announced policy of January 4, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. KNOLLENBERG] is recognized for 5 minutes.

[Mr. KNOLLENBERG addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

CIRCUMVENTING THE WILL OF CONGRESS

Mr. LIPINSKI. Mr. Speaker, today the Clinton administration abandoned its effort to pass a \$40 billion loan guarantee to Mexico. The President came to the conclusion that his bailout proposal would have failed in Congress, and he was right.

So what does the administration turn around and do? Instead of really responding to the opposition of Congress, the administration decides to devise a new plan, a new plan which effectively circumvents the will of the Congress. While this new plan includes more international financial support, it also calls for dipping into our country's exchange equalization fund for as much

as \$20 billion to prop up the peso. This fund, which only holds \$25 billion, I might add, is usually only used to help stabilize the U.S. dollar.

Mr. Speaker, this marks the first time that the fund has ever been used to support any kind of currency other than the U.S. dollar.

Mr. Speaker, I must take exception. I must take exception to how this administration wants to put the Mexican peso before the American people. I must take exception to how this administration chooses to sidestep the authority of Congress in this matter.

Even with International Monetary Fund support, U.S. tax dollars are still at risk. By avoiding the authority of the U.S. Congress the administration does not have to answer to the elected Representatives of the American people on this rescue plan for Mexico.

How did we come to where we are today? Well Mr. Speaker, it all began with something called NAFTA. Over a year ago, the media hailed it as the right thing to do.

□ 1950

Meanwhile, the Clinton administration cut deals with various Members in exchange for their vote in favor of the agreement. I and others, however, stood our ground and said "no" to NAFTA. We did so knowing full well the devastating effects such an agreement would have on the U.S. work force and our country's trade position. Unfortunately, our warnings went unheeded, and today the administration wants to bail out Mexico.

The Clinton administration promised that 100,000 new jobs would be created in the first year of NAFTA. These jobs we have yet to see. Let us take a look at the statistics. Since NAFTA was enacted, United States net imports with Mexico fell more than half. Our trade deficit in electronics has doubled, and we have a \$12 billion trade deficit in automobiles and parts. In fact, the overall automotive trade deficit with Mexico has only worsened under NAFTA.

The Department of Commerce estimated that \$1 billion in exports supports approximately 20,000 jobs. This means our automotive trade deficit alone has cost our country 32,000 jobs. So how are U.S. workers expected to deal with this? NAFTA's trade adjustment assistance program certainly is not helping, because eligibility requirements are extremely strict and the actual benefits are limited. Many firms have actually consulted their employees and told them not to bother applying.

Labor and environmental side agreements negotiated under NAFTA have proven to be abused.

Now after a year of NAFTA, Mexico has experienced a financial crisis, and Americans, thousands of whom lost their jobs to Mexico, are being asked to foot the bill. Americans are being forced to prop up the peso through a